

Official Statement

ALTA LOMA SCHOOL DISTRICT
San Bernardino County, California

\$1,395,000 PRINCIPAL AMOUNT

ELECTION 1978, SERIES 2 BONDS
(General Obligation Bonds)

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DEC 14 1978

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Bids to be received by the Board of Supervisors of San Bernardino County, County Civic Building, 175 West Fifth Street, San Bernardino, California 92415 at 10:00 A.M., Monday, January 8, 1979.

ALTA LOMA SCHOOL DISTRICT
San Bernardino County, California

BOARD OF TRUSTEES

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Alan K. Marks, County Counsel
Leonard Brinley, Deputy County Counsel

John H. Bulmer, Auditor-Controller
John A. Gartner, Tax Collector-Treasurer

PROFESSIONAL SERVICES

O'Melveny & Myers, Los Angeles
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc.
San Francisco and Los Angeles
Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS NOVEMBER 13, 1978

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TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of \$1,395,000 principal amount of Election 1978, Series 2 Bonds proposed to be issued by the Alta Loma School District.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Alta Loma School District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

The Official Statement is not to be construed as a contract with the purchasers of the Election 1978, Series 2 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the Board of Trustees of the Alta Loma School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Alta Loma School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds. 200 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of O'Melveny & Myers, Los Angeles, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "The Bonds", excepting the material under the heading "Estimated Debt Service."

November 13, 1978

JOHN E. McMURTRY
SUPERINTENDENT
ALTA LOMA SCHOOL DISTRICT

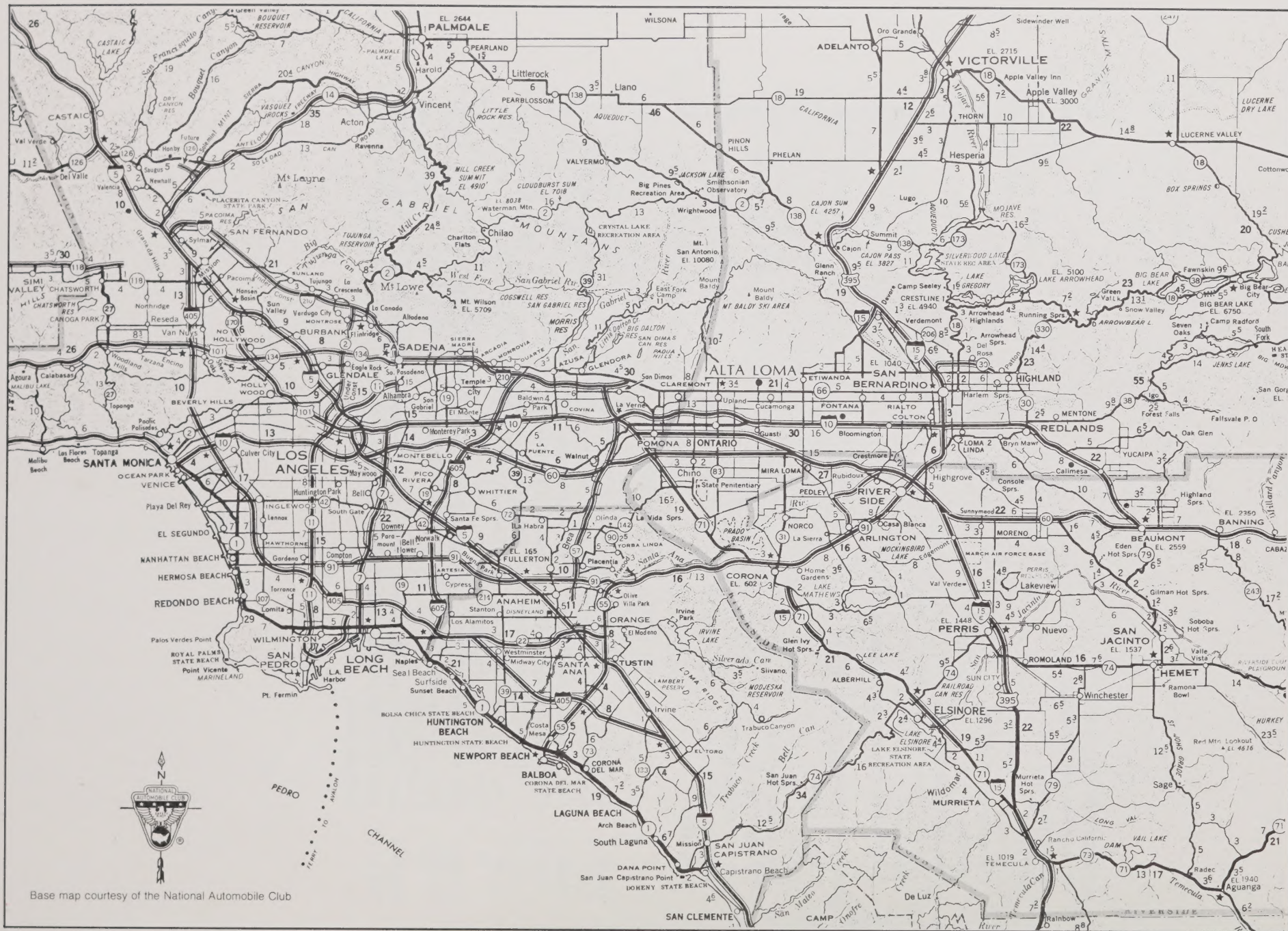
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Alta Loma and vicinity.

INTRODUCTION

The \$1,395,000 principal amount of Alta Loma School District Election 1978, Series 2 Bonds represents the second sale within a total authorization of \$4,500,000 approved by more than two-thirds of the voters voting at an election held in the District on March 7, 1978. Proceeds from the sale of these general obligation bonds will be used to fund elementary school site acquisition, site development, and construction costs.

The Alta Loma School District encompasses approximately 25 square miles in southwestern San Bernardino County and includes the community of Alta Loma (part of the recently incorporated City of Rancho Cucamonga) and the adjoining area. The District extends north into the San Bernardino National Forest. The Alta Loma community is approximately 40 miles east of Los Angeles and 19 miles west of San Bernardino.

The District's agricultural lands which contain horse ranches, citrus groves, vineyards, and a winery are giving way to urban encroachment as high land costs and overcrowding in Los Angeles and Orange Counties influence many residents of these areas to seek living space in San Bernardino County.

The District estimates that there were 5,448 occupied houses and 162 occupied apartments in the District as of November 1978. Under construction were 1,763 houses. Additionally, tract maps had been filed for future construction of 2,201 houses.

Employment opportunities within the District are largely in education, trade, personal services, and manufacturing. The largest District employers are Chaffey College, the Alta Loma School District, the American Can Company, which employs 90 at a local plant producing plastic bottles, and Bennett Industries, a fabricator of steel shipping containers with a payroll of 80. Industrial and distribution activities are served by a branch line of the Southern Pacific Railroad. The District is four miles north of Interstate 10 (San Bernardino Freeway), and is approximately the same distance from Ontario International Airport, the second busiest airport in Southern California.

Commercial activity of the District is concentrated at four shopping centers. Taxable transactions are not available for Rancho Cucamonga; however, an indication of economic strength in the area can be obtained from the level of taxable transactions in the nearly incorporated communities of Upland, Ontario and Fontana, situated on the west, south and east respectively. Taxable transactions from 1973 through 1977 increased in: Upland from \$66,890,000 to \$133,329,000; Ontario from \$147,862,000 to \$246,922,000; and, Fontana, \$57,956,000 to \$92,027,000.

Average daily attendance has grown from 1,973 students in 1973/74 to 3,500 estimated students in the 1978/79 school year. Assessed valuation of the District has increased from \$22,478,800 in 1973/74 to \$88,688,805 in 1978/79. Tax delinquencies in the past five years have averaged 3.32 percent.

Upon delivery of the Election 1978, Series 2 Bonds currently being offered for sale, the District's direct debt will be \$4,430,000 or 4.99 percent of assessed valuation and 1.25 percent of estimated real value. Net direct and estimated overlapping debt will be 12.73 percent and 3.18 percent of assessed valuation and estimated real value respectively.

THE BONDS

AUTHORITY FOR ISSUANCE

The \$1,395,000 principal amount Election 1978, Series 2 Bonds of Alta Loma School District now being offered for sale are general obligations of the District and will be issued under provisions of Title 1, Division 1, Part 10, Chapter 2 of the State of California Education Code, and pursuant to a resolution of the Board of Supervisors of San Bernardino County adopted on November 13, 1978.

The \$1,395,000 principal amount Election 1978, Series 2 Bonds represents the second series of a total authorization of \$4,500,000 approved by District voters on March 7, 1978. Previously, the District issued \$265,000 principal amount of Election 1978, Series 1 Bonds on June 1, 1978. It is anticipated that the remainder of the authorization (\$2,840,000) will be issued in subsequent series after July 1, 1979.

TERMS OF SALE

Bids will be received by the Clerk of the Board of Supervisors of San Bernardino County at 10:00 a.m. on Monday, January 8, 1979 at the Office of the Clerk of the Board of Supervisors, County Civic Building, 175 West Fifth Street, San Bernardino, California. The bonds will be sold pursuant to the terms of sale contained in the Notice Inviting Bids dated November 13, 1978.

DESCRIPTION OF THE BONDS

The \$1,395,000 principal amount of Election 1978, Series 2 Bonds will be dated February 1, 1979. The bonds will be numbered 1 to 279, both inclusive, will be issued in the denomination of \$5,000 each and will mature serially in consecutive numerical order as set forth in the following maturity schedule:

| <u>Date of Maturity (February 1)</u> | <u>Amount of Bonds Maturing</u> |
|--|-------------------------------------|
| 1981 | \$ 40,000 |
| 1982 | 40,000 |
| 1983 | 45,000 |
| 1984 | 45,000 |
| 1985 | 50,000 |
| 1986 | 55,000 |
| 1987 | 55,000 |
| 1988 | 60,000 |
| 1989 | 65,000 |
| 1990 | 70,000 |
| 1991 | 135,000 |
| 1992 | 180,000 |
| 1993 | 200,000 |
| 1994 | 355,000 |

INTEREST

Interest on the bonds at a rate not to exceed eight percent per annum is payable on February 1, 1980, and semiannually thereafter on each August 1 and February 1.

REDEMPTION PROVISIONS

Bonds maturing on or prior to February 1, 1990 are not subject to call and redemption prior to their fixed maturity dates. Bonds maturing on and after February 1, 1991 are subject to call and redemption prior to their fixed maturity dates at the option of the District as a whole or in part in inverse order of maturity and number beginning with the highest numbered bond on any interest payment date on and after February 1, 1989 at a redemption price equal to the principal amount of the bonds so called for redemption and accrued interest thereon to date of redemption plus a premium of one-quarter of one percent of such principal amount plus one-quarter of one percent of such principal amount for each year or portion of a year between the redemption date and the maturity date of the bonds so called for redemption.

PAYMENT

Both principal and interest are payable at the Office of the San Bernardino County Treasurer-Tax Collector.

REGISTRATION

The bonds will be issued as coupon bonds, registrable only as to both principal and interest.

LEGAL OPINION

The legal opinion of O'Melveny & Myers, Los Angeles, California, bond counsel for the District, attesting to the validity of the bonds, will be supplied to the original purchasers of the bonds without charge. A copy of the legal opinion, certified by the Treasurer-Tax Collector of San Bernardino County, in whose office the original is to be filed, will be printed on each bond, without cost to the successful bidder.

The statements of law and legal conclusions set forth herein under the section titled "The Bonds" (excluding the paragraph entitled "Estimated Annual Bond Service") have been reviewed by bond counsel. Bond counsel's employment is limited to a review of the legal proceedings required for authorization of the bonds and to rendering an opinion as to the validity of the bonds and the exemption of interest on the bonds from income taxation. The opinion of bond counsel will not consider or extend to any documents, agreements, representations, offering circulars, or other material of any kind concerning the bonds not mentioned in this paragraph.

SECURITY

The bonds are general obligations of Alta Loma School District, and the Board of Supervisors of San Bernardino County has the power and is obligated under the Resolution authorizing the issuance of the Bonds to levy ad valorem taxes for payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates), without limitation as to rate or amount.

TAX EXEMPT STATUS

In the opinion of bond counsel, interest on the bonds is exempt from all present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

LEGALITY FOR INVESTMENT

The bonds are legal investments in California for all trust funds and for funds of all insurance companies, commercial and savings banks, trust companies, and for State school funds, and are eligible as security for deposits of public monies in California.

NO LITIGATION

At the time of payment for and delivery of said Bonds, the successful bidder will be furnished with a certificate that there is no litigation pending affecting the validity of the Bonds.

In the case of Serrano v. Priest, Case No. L.A. 30398, the California Supreme Court on December 30, 1976, affirmed a Judgment of the Superior Court of Los Angeles County, entered September 3, 1974, declaring that California's system of financing its public schools violates equal-protection-of-the-laws provisions of the California Constitution.

The affirmed Judgment of the Superior Court also provides: that the Judgment is not intended to invalidate, and shall not be construed as invalidating in any way, any past acts constituting the operation of the School Financing System; that the existing School Financing System shall continue to operate for a reasonable length of time so that a constitutional system can be designed, enacted into law, and placed into operation; that any redesign of the School Financing System which provides for the elimination of unconstitutional features on a gradual basis must be such that the redesigned School Financing System will be fully constitutional no later than six years from date of entry of the Judgment, and that otherwise there will be a denial to the plaintiffs of their constitutional rights for an unreasonable length of time; and that the Trial Court is retaining jurisdiction so that any of the parties may apply for appropriate relief in the event that relevant circumstances develop, such as a failure by the legislative and executive branches to take the necessary steps to design, enact into law, and place into operation, within a reasonable time from entry of the Judgment, a fully constitutional system. The legislature has enacted Chapter 894 as an urgency measure in September 1977 in part as a response to the Serrano case. The legislation does not affect the tax rates for debt service on outstanding or the currently offered bonds.

PURPOSE OF THE ISSUE

Proceeds from the sale of the \$1,395,000 principal amount of the 1978 Election, Series 2 Bonds will be used for authorized school purposes as described in greater detail in "The Improvement Program" section of this Official Statement.

ESTIMATED ANNUAL BOND SERVICE

Table 1 presents a schedule of estimated annual bond service for the \$1,395,000 principal amount of Election 1978, Series 2 Bonds currently being offered for sale based on an estimated interest rate of 6.5 percent and debt service on prior District bonds.

Table 1
 ALTA LOMA SCHOOL DISTRICT
 ESTIMATED ANNUAL BOND SERVICE
 \$1,395,000 Of Election 1978, Series 2 Bonds and Prior Bond Service

| Fiscal Year | Amount Outstanding July 1 | \$1,395,000 of Election 1978, Series 2 Bonds | | | Estimated Annual Bond Service (1) | Prior Issues Annual Bond Service (2) | Estimated Total Annual Bond Service |
|----------------|---------------------------------|--|-----------------------------------|------------------------------------|--|--|---|
| | | Interest Payable August 1 | Interest Payable February 1 | Principal Payable February 1 | | | |
| 1979/80 | \$1,395,000 | \$ - | \$ 90,675.00 | \$ - | \$ 90,675 | \$ 315,696.25 | \$ 406,371.25 |
| 1980/81 | 1,395,000 | 45,337.50 | 45,337.50 | 40,000 | 130,675 | 321,883.75 | 452,558.75 |
| 1981/82 | 1,355,000 | 44,037.50 | 44,037.50 | 40,000 | 128,075 | 321,883.75 | 449,958.75 |
| 1982/83 | 1,315,000 | 42,737.50 | 42,737.50 | 45,000 | 130,475 | 321,471.25 | 451,946.25 |
| 1983/84 | 1,270,000 | 41,275.00 | 41,275.00 | 45,000 | 127,550 | 321,425.00 | 448,975.00 |
| 1984/85 | 1,225,000 | 39,812.50 | 39,812.50 | 50,000 | 129,625 | 321,132.50 | 450,757.50 |
| 1985/86 | 1,175,000 | 38,187.50 | 38,187.50 | 55,000 | 131,375 | 316,585.00 | 447,960.00 |
| 1986/87 | 1,120,000 | 36,400.00 | 36,400.00 | 55,000 | 127,800 | 318,565.00 | 446,365.00 |
| 1987/88 | 1,065,000 | 34,612.50 | 34,612.50 | 60,000 | 129,225 | 321,002.50 | 450,227.50 |
| 1988/89 | 1,005,000 | 32,662.50 | 32,662.50 | 65,000 | 130,325 | 322,253.75 | 452,578.75 |
| 1989/90 | 940,000 | 30,550.00 | 30,550.00 | 70,000 | 131,100 | 323,177.50 | 454,227.50 |
| 1990/91 | 870,000 | 28,275.00 | 28,275.00 | 135,000 (3) | 191,550 | 256,712.50 | 448,262.50 |
| 1991/92 | 735,000 | 23,887.50 | 23,887.50 | 180,000 (3) | 227,775 | 221,160.00 | 448,935.00 |
| 1992/93 | 555,000 | 18,037.50 | 18,037.50 | 200,000 (3) | 236,075 | 220,835.00 | 456,910.00 |
| 1993/94 | 355,000 | 11,537.50 | 11,537.50 | 355,000 (3) | 378,075 | - | 378,075.00 |
| | | \$467,350.00 | \$558,025.00 | \$1,395,000 | \$2,420,375 | \$4,223,783.75 | \$6,644,108.75 |

(1) Estimated annual bond service based on an interest rate of 6.5 percent.

(2) San Bernardino County records of general obligation bond service requirements on all prior issues.

(3) Callable on or after February 1, 1989.

THE IMPROVEMENT PROGRAM

The Alta Loma School District was formed in 1885. The facilities of the District include four elementary schools and one junior high school.

The Election 1978, Series 2 general obligation bonds currently being offered are a part of a \$4,500,000 authorization approved by more than two-thirds of the voters at an election held in the District on March 7, 1978, and will be issued and sold for the purposes of raising money for authorized school purposes. After the sale of the proposed Election 1978, Series 2 Bonds, \$2,840,000 of the original authorization will remain unsold.

Proceeds from the sale of the Election 1978, Series 2 Bonds currently being offered will be used to: (1) purchase an additional school site which is estimated to cost between \$300,000-\$400,000; (2) fund site development costs; (3) pay design costs for a new elementary school. Construction costs of the elementary school will be met by the remainder of proceeds from the sale of the Election 1978, Series 2 Bonds and the proceeds from the sale of a future Series of Election 1978 Bonds.

DISTRICT ORGANIZATION AND FINANCIAL DATA

ORGANIZATION

The Alta Loma School District provides kindergarten through eighth grade educational services to residents of an area encompassing approximately 25 square miles in the northwestern part of the City of Rancho Cucamonga and adjoining unincorporated areas.

The District has operated as an elementary school district under the laws of the State of California continuously since 1885. The District is governed by an independent Board of Trustees of five members who are elected at large for overlapping four-year terms. The District's affairs are administered by the Superintendent, who is appointed by the Board of Trustees. Mr. John E. McMurtry was appointed Superintendent on July 1, 1978. He had previously been Deputy Superintendent of the Chino Unified School District in San Bernardino County, and has been engaged in the field of education for over 20 years.

FACILITIES, PERSONNEL, AND ENROLLMENT

District facilities include four elementary schools and one intermediate school. The staff of the District is composed of 131 certificated, 35 classified, and 10 administrative personnel, plus 2 part-time certificated and 27 part-time classified employees. October 1978 District enrollment was 3,297, an increase of 356 students over the October 1977 enrollment.

Table 2 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance over the past five years. During this period, the District's assessed valuation increased approximately 179.4 percent, assessed valuation per unit of average daily attendance increased approximately 72.7 percent and average daily attendance increased 61.8 percent. Average daily attendance and assessed valuation per unit of average daily attendance in 1978/79 are estimated at 3,500 and \$25,340, respectively.

Table 2
ALTA LOMA SCHOOL DISTRICT
Assessed Valuation and Average Daily Attendance

| Fiscal Year | Assessed Valuation (1) | Average Daily Attendance (2) | Assessed Valuation Per Unit Average Daily Attendance |
|----------------|---------------------------|------------------------------------|---|
| 1973/74 | \$22,478,800 | 1,973 | \$11,393 |
| 1974/75 | 24,455,170 | 2,146 | 11,395 |
| 1975/76 | 31,250,420 | 2,309 | 13,534 |
| 1976/77 | 36,774,020 | 2,701 | 13,615 |
| 1977/78 | 62,813,150 | 3,193 | 19,672 |

(1) Includes State reimbursed exemptions.

(2) Includes summer enrollments and special classes.

Source: San Bernardino County Auditor-Controller and District records.

CONSTITUTIONAL AMENDMENT (Proposition 13)

Proposition 13, the Jarvis-Gann Constitutional Initiative, was approved by California voters at the June 6, 1978 election. The text of the Amendment (now Article XIII A of the California Constitution) is as follows:

"Section 1.

(a) The maximum amount of any ad valorem tax on real property shall not exceed one percent (1%) of the full cash value of such property. The one percent (1%) tax is to be collected by the counties and apportioned to law to the districts within the counties.

(b) The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any indebtedness approved by the voters prior to the time this section becomes effective.

Section 2.

(a) The full cash value means the County Assessors valuation of real property as shown on the 1975/76 tax bill under 'full cash value', or thereafter, the approved value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. All real property not already assessed up to the 1975/76 tax levels may be reassessed to reflect that valuation.

(b) The fair market value base may reflect from year to year the inflationary rate not to exceed two percent (2%) for any given year or reduction as shown in the consumer price index or comparable data for the area under taxing jurisdiction.

Section 3.

From and after the effective date of this article, any changes in State taxes enacted for the purpose of increasing revenues collected pursuant thereto whether by increased rates or changes in methods of computation must be imposed by an Act passed by not less than two-thirds of all members elected to each of the two houses of the legislature, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property must be imposed.

Section 4.

Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district, except ad valorem taxes on real property or a transaction tax or sales tax on the sale of real property within such City, County or special district.

Section 5.

This article shall take effect for the tax year beginning on July 1, following the passage of this Amendment, except Section 33 which shall become effective upon the passage of this article.

Section 6.

If any action, part, clause, or phrase hereof is for any reason held to be invalid or unconstitutional, the remaining sections shall not be affected but will remain in full force

and effect." The California Supreme Court upheld the constitutionality of Proposition 13 in a ruling handed down September 22, 1978.

LEGISLATION TO IMPLEMENT PROPOSITION 13

On June 24, 1978 the Governor approved Senate Bill 154 (now Chapter 292, 1978 Statutes). This legislation provides partial relief to local governments from the temporary difficulties brought about by the passage of Proposition 13.

Among other purposes, the bill appropriates funds from the State General Fund:

- A. to Section A of the State School Fund (said Fund provides for the funding of California school districts and the county superintendent of schools) in lieu of statutory prescribed appropriations for the 1978/79 fiscal year and presents a method for computing the state support for school districts as determined by the country superintendents of schools.
- B. to various categorical aid programs operated by school districts and country superintendents of schools.

On June 30, 1978 the Governor approved Senate Bill 2212 (now Chapter 332, 1978 Statutes), which makes various technical and other changes in school finance provisions to comply with Chapter 292, 1978 Statutes.

ASSESSED VALUATIONS

The San Bernardino County Assessor assesses property for District tax purposes. The State Board of Equalization reports the 1977/78 San Bernardino County valuations average 24.7 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value. County assessment ratios for 1978/79 are not available.

Under California State Law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under the provisions of a Constitutional Amendment, the California legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of such exemptions is reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for delinquencies.

Table 3 presents the District's 1978/79 assessed valuation by tax roll, before and after these two exemptions. These data reflect the implementation of Proposition 13, now Article XIII A of the California Constitution.

Table 3
ALTA LOMA SCHOOL DISTRICT
1978/79 Assessed Valuation

| Tax Roll | Taxable Assessed Valuation | Homeowners Exemptions | Business Inventory Exemptions | Assessed Valuation for Revenue Purposes |
|-----------|----------------------------------|--------------------------|-------------------------------------|---|
| Secured | \$77,244,700 | \$7,225,165 | \$ 22,575 | \$84,492,440 |
| Utility | 2,142,420 | -- | -- | 2,142,420 |
| Unsecured | <u>1,731,460</u> | <u>--</u> | <u>322,485</u> | <u>2,053,945</u> |
| Total | \$81,118,580 | \$7,225,165 | \$345,060 | \$88,688,805 |

Source: San Bernardino County Auditor-Controller.

Table 4 shows a five-year prior history of the District's assessed valuation by tax roll prior to deductions for the two previously discussed special exemptions. During the 1973/74-1976/77 period assessed valuations increased at an average annual rate of 18 percent. In 1977/78 the annual increase was 71 percent, and in 1978/79 assessed valuations increased 41 percent over the previous year. The high rate of new construction in the District continues to raise assessed valuations to record levels.

Table 4
ALTA LOMA SCHOOL DISTRICT
Assessed Valuation by Tax Roll (1)

| Tax Roll | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 |
|-----------|----------------|------------------|------------------|------------------|------------------|
| Secured | \$20,757,440 | \$23,367,685 | \$28,317,625 | \$33,996,660 | \$59,519,145 |
| Utility | 954,000 | 1,055,270 | 1,150,510 | 1,288,370 | 1,579,590 |
| Unsecured | <u>767,360</u> | <u>1,032,215</u> | <u>1,782,285</u> | <u>1,488,990</u> | <u>1,714,415</u> |
| Total | \$22,478,800 | \$25,455,170 | \$31,250,420 | \$36,774,020 | \$62,813,150 |

(1) Includes reimbursable exemptions.

Source: San Bernardino County Auditor-Controller.

TAX RATES

Section 1(a) of Proposition 13, now Article XI11A of the California Constitution, limits any ad valorem tax on real property to one percent of the full cash value of such property; however this limitation is not applicable to ad valorem taxes or special assessments to pay the interest and redemption charges on any indebtedness approved by voters prior to the effective date of Article XI11A of the California Constitution.

The District's 1978/79 tax rate is \$0.3934 per \$100 assessed valuation, composed of \$0.0382 for state loan repayment and \$0.3552 for elementary school bonds.

Table 5 shows the Alta Loma School District tax rate for the previous five-year period. The District's total tax rate during this period ranged from \$2.8706 to \$3.1664 per \$100 assessed valuation.

Table 5
ALTA LOMA SCHOOL DISTRICT
Tax Rate Distribution by Purpose

| | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| General Purpose | \$1.3074 | \$1.3713 | \$1.3024 | \$1.3318 | \$1.4246 |
| Community Services | .0426 | .0500 | .0500 | .0500 | .0500 |
| Meals for Needy Pupis | -- | -- | .0126 | .0179 | -- |
| State Loan Repayment | .1576 | .0360 | .0438 | .0578 | .0579 |
| Areawide Rate | <u>1.0743</u> | <u>1.0259</u> | <u>1.0332</u> | <u>1.0308</u> | <u>1.0331</u> |
| Total General Fund | <u>\$2.5819</u> | <u>\$2.4832</u> | <u>\$2.4420</u> | <u>\$2.4883</u> | <u>\$2.5656</u> |
| Bond Interest & Redemption | <u>.5845</u> | <u>.3874</u> | <u>.4891</u> | <u>.4869</u> | <u>.4596</u> |
| Total | \$3.1664 | \$2.8706 | \$2.9311 | \$2.9752 | \$3.0252 |

Source: San Bernadino County Auditor-Controller.

Because of Proposition 13 implementing legislation adopted by the state legislature, the bulk of local revenues represented by the above property tax rates have been replaced by state appropriations and apportionments in the 1978/79 fiscal year. This is reflected in the District's current year budget.

There are 32 Tax Code Areas in the District. In the 1977/78 tax year, total tax rates within these code areas ranged from \$9.2358 to \$13.6375 per \$100 assessed valuation. Tax Code Area 5208 is the largest area by assessed valuation in the District, with a 1977/78 assessed valuation of \$17,992,525. Table 6 illustrates the record of total tax rates levied in Tax Code Area 5208 over the past five fiscal years.

Table 6
 ALTA LOMA SCHOOL DISTRICT
 Tax Code Area 5208
 Tax Rates Per \$100 Assessed Valuation

| | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|
| County | \$ 3.1327 | \$ 3.1466 | \$ 3.1466 | \$ 3.1616 | \$ 2.8356 |
| Schools | 6.6268 | 6.2341 | 6.2931 | 6.4004 | 5.9620 |
| County Service Areas | .3386 | .2623 | .3350 | .3354 | .2876 |
| Fire | .6190 | .7000 | .7219 | .7000 | .8972 |
| Flood Control Zone | .3000 | .3000 | .3000 | .3000 | .2971 |
| Municipal Water | .4800 | .4800 | .5500 | .6400 | .7600 |
| Metropolitan Water | .1800 | .1800 | .1600 | .1500 | .1400 |
| Other water | .4700 | .4700 | .3100 | .6275 | .3900 |
| All Property | \$12.1471 | \$11.7730 | \$11.8166 | \$12.3149 | \$11.5695 |
| Soil Conservation (Land Only) | | | | | .0275 |

Source: San Bernardino County Auditor-Controller.

LARGEST TAXPAYERS

The ten largest taxpayers within the District and their 1978/79 assessed valuations are listed below.

ALTA LOMA SCHOOL DISTRICT Largest Taxpayers 1978/79

| | Name | Business | 1978/79 Assessed Values |
|-----|---------------------------------|------------------|----------------------------|
| 1. | Lewis Development Co. | Land Developer | \$849,000 |
| 2. | So. California Edison Co. | Public Utility | 793,530 |
| 3. | General Telephone Co. | Public Utility | 753,050 |
| 4. | Multi-Benefit Realty Fund IV | Shopping Center | 724,475 |
| 5. | Alta Laguna Mobile Estates, Ltd | Mobile Home Park | 483,080 |
| 6. | So. California Gas Co. | Public Utility | 446,340 |
| 7. | Walter H. Laband | Land owner | 298,650 |
| 8. | Earl & Jean Williams et al | Mobile home park | 273,965 |
| 9. | Alta Vista Investment Co. | Land Investment | 262,375 |
| 10. | Benjamin J. & Melba R. Franklin | Shopping Center | 199,650 |

Source: San Bernardino County Assessor.

TAX LEVIES, COLLECTIONS, AND DELINQUENCIES

School District secured taxes appear on the same tax bill as county and city taxes, are payable in equal installments on November 1 and February 1, and become delinquent on December 10 and April 10 respectively. Taxes on properties appearing on the unsecured roll are assessed on March 1 and become delinquent the following August 31. Table 7 summarizes the general purpose secured tax levies and the amount and percentage of the levy delinquent as of June 30 for the past five fiscal years in the District's tax code areas.

Table 7
ALTA LOMA SCHOOL DISTRICT
Secured Tax Levy and Delinquency

| Year Ending June 30 | Secured Tax Levy | Delinquent as of June 30 | |
|------------------------|---------------------|--------------------------|---------|
| | | Amount | Percent |
| 1974 | \$282,924 | \$ 5,625 | 1.99% |
| 1975 | 305,399 | 16,772 | 5.49% |
| 1976 | 361,274 | 15,343 | 4.25% |
| 1977 | 448,828 | 9,463 | 2.11% |
| 1978 | 852,246 | 23,663 | 2.78% |

Source: San Bernadino County Auditor-Controller.

FUND BALANCES

The tabulation below presents the balances in all District funds as of June 30 for the past five fiscal years.

ALTA LOMA SCHOOL DISTRICT
Fund Balances as of June 30

| | 1974 | 1975 | 1976 | 1977 | 1978 |
|-----------------------------|-----------|-----------|-----------|------------|------------|
| General Fund | \$184,335 | \$220,405 | \$179,995 | \$ 270,091 | \$ 204,982 |
| Bond Int. & Redemption Fund | 141,580 | 153,309 | 157,462 | 201,941 | 291,491 |
| Bond Building Fund | 222,797 | 180,273 | -- | -- | 1,070,320 |
| State Building Fund | 38,106 | 982,330 | 868,064 | 1,250,568 | 1,824,840 |
| Student Body Fund | 1,696 | 3,059 | 3,995 | 5,179 | 9,777 |
| Cafeteria Account | 3,274 | 4,224 | 1,834 | 3,012 | 10,109 |

Source: District audit reports.

GENERAL FUND INCOME AND EXPENDITURES

Table 8 presents a five-year summary for fiscal years 1973/74 through 1977/78 of income and expenditures of the Alta Loma School District as reported in annual audits of the District. Also included in Table 8 is the annual expenditure budget and the annual variation of these budgets to actual expenditures.

Table 8
ALTA LOMA SCHOOL DISTRICT
Summary of General Fund Income and Expenditures

| | Fiscal Year | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 |
| Beginning Balance July 1 | \$ 133,770 | \$ 184,336 | \$ 220,405 | \$ 179,995 | \$ 270,091 |
| Adjustment to Beginning Balance | (5,040) | 2,299 | 5,483 | 923 | (3,630) |
| Adjusted Balance | \$ 128,730 | \$ 186,635 | \$ 225,888 | \$ 179,072 | \$ 266,461 |
| <u>Income</u> | | | | | |
| Federal Sources | \$ 33,766 | \$ 68,892 | \$ 89,125 | \$ 97,698 | \$ 94,799 |
| State Sources | 1,144,546 | 1,337,510 | 1,571,896 | 2,101,809 | 2,534,235 |
| County Sources | 24,383 | 26,142 | 26,409 | 49,911 | 17,137 |
| Local Sources | 585,129 | 681,870 | 812,735 | 1,009,488 | 1,617,720 |
| Incoming Transfers | 3,316 | 592 | 361 | 853 | 507 |
| Subtotal | \$1,791,140 | \$2,115,006 | \$2,500,526 | \$3,259,759 | \$4,264,398 |
| Total Income Available | \$1,919,870 | \$2,301,641 | \$2,726,414 | \$3,438,831 | \$4,530,859 |
| <u>Expenditures: (1)</u> | | | | | |
| Certified Salaries | \$ -- | \$1,379,664 | \$1,662,027 | \$1,942,793 | \$2,494,507 |
| Classified Salaries | -- | 271,517 | 353,077 | 454,051 | 673,542 |
| Employee Benefits | -- | 187,429 | 250,893 | 335,386 | 498,507 |
| Books, Supplies, Equipment Replacement | -- | 88,032 | 95,386 | 152,320 | 228,920 |
| Contracted Services | -- | 114,963 | 138,804 | 198,473 | 291,748 |
| Administration | 58,236 | -- | -- | -- | -- |
| Instruction | 1,245,634 | -- | -- | -- | -- |
| Health Services | 9,091 | -- | -- | -- | -- |
| Pupil Transportation | 46,033 | -- | -- | -- | -- |
| Operation of Plant | 100,820 | -- | -- | -- | -- |
| Maintenance of Plant | 14,373 | -- | -- | -- | -- |
| Fixed Charges | 144,965 | -- | -- | -- | -- |
| Food Services | 5,002 | -- | -- | -- | -- |
| Community Services | 10,653 | -- | -- | -- | -- |
| Capital Outlay | 40,090 | 26,264 | 23,618 | 39,835 | 77,162 |
| Debt Service-Repayment | | | | | |
| School Bldg Aid Loans | 33,740 | 11,756 | 13,603 | 20,866 | 35,731 |
| Outgoing Transfers | 26,898 | 1,610 | 9,011 | 25,016 | 25,760 |
| Total Expenditures | \$1,735,535 | \$2,081,235 | \$2,546,419 | \$3,168,740 | \$4,325,877 |
| Revised Budget | | | | | |
| Expenditures | \$1,797,376 | \$2,089,776 | \$2,618,310 | \$3,168,419 | \$4,369,386 |
| Variance to Actual | | | | | |
| Expenditures | 61,841 | 8,541 | 71,891 | (321) | 43,509 |
| Ending Balance June 30 | \$ 184,335 | \$ 220,405 | \$ 179,995 | \$ 270,091 | \$ 204,982 |

(1) Beginning in 1974/75 all school districts in the State of California were required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items for 1974/75 and later years cannot, therefore, be directly compared with prior years.
Source: District audit reports for individual years.

Table 9 contains a summary of the District's 1978/79 general fund budget.

Table 9
ALTA LOMA SCHOOL DISTRICT
General Fund Income and Expenditures

| | 1978/79 Budget |
|--|----------------|
| <u>Income</u> | |
| Adjusted Net Beginning Balance | \$ 205,175 |
| Federal Income | 108,480 |
| State Income | 3,940,245 |
| County Income | 35,000 |
| Local Income | 607,300 |
| Incoming Transfers | -0- |
| Total Available Income | \$4,896,200 |
| <u>Expenditures</u> | |
| Certificated Salaries | \$2,866,375 |
| Employee Benefits | 655,510 |
| Books, Supplies and Equipment Replacement | 648,570 |
| Contracted Services and Other Operating Expenses | 287,500 |
| Sites, Buildings, Books, Media and New Equipment | 80,000 |
| Other Outgo, Including School Building Apportionment | 72,440 |
| Total Expenditures | \$4,790,895 |
| Appropriations for Contingencies | \$ 100,000 |
| Net Ending Balance | 5,305 |
| Total | |

(1) Annual Budget Report (Form J-41), July 1, 1978 to June 30, 1979, adopted by the governing board of Alta Loma Elementary School District on September 5, 1978.

LEASE AGREEMENTS

The District has a General Fund Contingent liability of \$91,753 on bus lease-purchase agreements and a five-year office building lease agreement.

| | <u>BUSES</u> | | <u>OFFICE BUILDING</u> | |
|--------------------|---------------|--------------|------------------------|--------------|
| | <u>NUMBER</u> | <u>TOTAL</u> | <u>NUMBER</u> | <u>TOTAL</u> |
| Lease payments due | 4 | \$40,753 | 1 | \$51,000 |
| | | | 7-1-78/7-1-80 | 39,063 |
| | 1978-79 | 15,636 | 7-1-81 | 11,937 |
| | 1979-80 | 12,758 | | |
| | 1980-81 | 12,359 | | |

DEBT STATEMENT

The District's general obligation bonding capacity is equal to 5 percent of the assessed valuation after all exemptions except homeowners' and business inventory, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment ratio with the statewide average ratio. The Collier Factor is used to offset differences in assessment levels for intercounty school districts and confirms assessment to a statewide average assessment level for all property.

A statement of the District's direct and estimated overlapping bonded debt is shown in Table 10. As of June 30, 1978, State School Building Aid repayable by the District was \$5,229,815. California Municipal Statistics, Inc. reports the District's share of authorized unsold bonds as follows: Metropolitan Water District @ \$616,850.

EMPLOYER-EMPLOYEE RELATIONS

Certificated personnel of the Alta Loma School District are members of the recognized professional organization of the Alta Loma Educators Association (California Teachers Association Affiliate). Classified employees are not represented by any professional organization.

The District has a negotiated employment contract with its certificated personnel through June 30, 1979. However, all District salaries have been frozen for the current fiscal year as a condition of participating in the distribution of state aid arising out of Proposition 13.

Effective July 1, 1976, provisions of the Rodda Act codified as Chapter 961 of the 1975 Statutes affects all school districts in California. In case of labor disputes, local grievance procedures may be operative (if established by contract), or both parties may agree to submit grievances to final and binding arbitration pursuant to rules adopted by the Educational Employment Relations Board, which administers the Act. The Act's provision with respect to the rights, obligations, and unfair practices applicable to management and labor became effective April 1, 1976.

Table 10
ALTA LOMA SCHOOL DISTRICT
Statement of Direct and Estimated Overlapping Bonded Debt (1)

| | Estimated population | 20,000 |
|---|-----------------------|---|
| | Assessed valuation | \$ 88,688,805 (2) |
| | Estimated real value | \$354,755,220 (3) |
| Public Entity | Percent Applicable | Estimated Debt Applicable January 8, 1979 |
| San Bernardino County Building Authorities | 2.619% | \$ 336,133 (4) |
| San Bernardino County Free Library Authorities | 3.588 | 35,521 |
| Metropolitan Water District | 0.169 | 887,216 |
| Chino Basin Municipal Water District | 6.630 | 896,045 |
| Cucamonga County Water District | 36.641-36.688 | 1,051,677 |
| Cucamonga County Water District, Improvement District #2 | 99.596 | 169,313 |
| Cucamonga County Water District, Improvement District #1963-1 | 32.482 | 358,926 |
| Cucamonga County Water District, Improvement District #5 | 39.527 | 3,148,326 |
| Chaffey Union Community College District | 6.657 | 9,986 |
| Chaffey Union High School District | 10.802 | 456,385 |
| Alta Loma School District | 100.000 | 4,430,000 (5) |
| City of Upland | 0.002 | 47 |
| TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT | | \$11,779,575 |
| Less: Cucamonga CWD ID #2 (100% self- supporting) & ID #1963 (90% self- supporting) | | 492,346 |
| City of Upland water bonds (100% self-supporting) | | 23 |
| TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT | | \$11,287,206 |

| | Ratio To | | |
|---|-----------------------|---------------|---------------|
| | Assessed Valuation | Real Value | Per Capita |
| Assessed valuation | --- | --- | \$4,435 |
| Direct debt | 4.99% | 1.25% | 222 |
| Gross direct and estimated overlapping bonded debt | 13.28% | 3.32% | 589 |
| Net direct and estimated overlapping bonded debt | 12.73% | 3.18% | 564 |

(1) Compiled in cooperation with California Municipal Statistics, Inc.

(2) The 1978/79 assessed valuation is before deduction of \$7,570,225 homeowner's and business inventory exemptions, the taxes on which are paid by the State of California.

(3) Estimated real value is based on assessed valuations being 25 percent of full market value.

(4) Excludes \$8,707 share of county lease purchase obligations which are not bonded debt.

(5) Includes \$1,395,000 to be sold on January 8, 1979.

PENSION PLANS

The District participates in the State of California Teachers' Retirement System (STRS). This plan covers basically all full-time certificated employees. The District's contribution to STRS for fiscal year 1977/78 amounted to \$174,535, which includes both current costs and backfunding.

The District also participates in the State of California Public Employees' Retirement System (PERS). This plan covers all classified personnel who are employed at least 50 percent of the workweek. The District's contribution to PERS for 1977/78 amounted to \$53,551, which includes both current costs and backfunding.

Classified employees also participate in the Federal Social Security System, for which the District paid \$34,820 in 1977/78. In addition, the District paid \$43,017 to State Workmen's Compensation in behalf of all employees.

The State Teachers' Retirement System (STRS) operates under provisions of the State Education Code. The System includes California public teachers from preschool through grade fourteen and certain other employees of the public school system. There were approximately 334,200 active and inactive members, 72,368 benefit recipients, and 1,149 participating agencies at June 30, 1977. Membership is mandatory for all certificated employees meeting the eligibility requirements.

The System is financed by earnings from investments and contributions from members, school districts, and the State of California, which pays \$144,300,000 annually to the year 2002, subject to annual legislative appropriation. Under present rules, members contribute eight percent of applicable earnings, and school districts contribute a percentage of applicable member earnings rising to eight percent beginning July 1, 1978. However, under legislation enacted in 1977, new increased rates, effective July 1, 1979, would result in total contributions of 21 percent of payroll after a five-year period. The employer rate would increase to 10 percent, and the State of California would contribute three percent, with the employee rate remaining at eight percent.

Actuarial valuations of the System are based upon the entry-age-normal cost method, which is a projected benefit cost method wherein level normal cost rates (contributions) are computed sufficient to fund benefits over the entire service life of members. The System's financial statements are prepared on the accrual basis of accounting.

At June 30, 1977, the total unfunded obligation of the System was \$9,894,721,919, as determined by the independent actuary. This includes the present value of future State contributions provided by the State Teacher's Retirement Law (\$1,666,000,000).

Comparable figures for June 30, 1976 were \$9,420,709,989 and \$1,577,182,428, respectively. In the opinion of the Chief Executive Officer for STRS, the additional contributions referred to above, while helpful, will not solve the funding problem.

The State Teachers' Retirement System's actuary is Milliman & Robertson, Inc., of San Francisco, California; Investment Counsel for equities is Scudder, Stevens & Clark, San Francisco, California; Auditor is Coopers & Lybrand, Sacramento, California.

The State Public Employees' Retirement System (PERS) was originally established in 1931. As of June 30, 1977, there were 556,759 members, of whom approximately 10% are classified as "safety" members (principally fire and police duties) and the balance are classified as "miscellaneous" members (management, administrative, staff, operational and clerical employees).

Approximately one-third of the members are state personnel and the balance are public agency personnel. As of June 30, 1977, the System provided retirement, death and survivor benefits under 979 contracts for 2,078 public agency employers (cities, counties, school districts, special districts and other public bodies) with 374,051 members. The System's funding is by employer and employee contributions together with investment income. Contributions fluctuate yearly depending on the number of members and their respective salary schedules.

Total assets of the System at June 30, 1977 were \$8,951,294,831 according to the annual audit. Of this amount net assets of \$8,755,875,035 were available for benefits.

The annual contribution by employers for the 1976/77 fiscal year was \$718,363,062. The annual contribution by employees for the 1976/77 fiscal year was \$312,725,614.

The most recent actuarial valuation, performed by PERS, utilized census data as of June 30, 1976. The total unfunded obligation of the System was determined to be \$6,868,665. The method used was entry-age-normal cost, which is a projected benefit cost method wherein level employer normal cost rates, considering present member contributions, are calculated at amounts sufficient to fund benefits over the entire service life of members.

Except for the pooling of certain miscellaneous public agency members, actuarial evaluations are performed for each participating employer, and the total accrued actuarial liability noted above is the sum of the individual employer accounts. According to the PERS annual report, public agency employer contribution rates set forth between each agency and PERS will meet all ongoing costs and fund the unfunded liability for each agency in accordance with the terms of each agency's contract.

The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Touche Ross & Co., San Francisco, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being required no less than every four years under the Retirement Law. Management Applied Programming, Inc., Los Angeles, California is reviewing the June 30, 1977 actuarial valuation prepared by the PERS staff.

ECONOMY OF THE DISTRICT

The Alta Loma School District covers approximately 25 square miles in southwestern San Bernardino County. It forms part of the newly incorporated City of Rancho Cucamonga, which includes the communities of Alta Loma, Etiwanda, and Cucamonga. Bordering the District on the west is the City of Upland. Cucamonga and Etiwanda lie to the south and east, respectively. To the north, the District rises gradually into the foothills of the San Gabriel Mountains and the San Bernardino National Forest. The District is approximately 40 miles east of Los Angeles and 19 miles west of San Bernardino. Present District population is estimated at 20,000.

Within the District are horse ranches, citrus groves, vineyards, and a winery. However, agricultural lands are giving way to urban encroachment as high land costs and overcrowding in Los Angeles and Orange Counties have influenced many residents of those areas to seek living space in San Bernardino County. Residential construction activity in the District is at a high level, as discussed in a later section of this Official Statement.

There are ten small manufacturing plants in the District, with three employing more than 50 persons each. Industrial and distribution activities are served by a branch line of the Southern Pacific Railroad. The District is four miles north of Interstate 10 (San Bernardino Freeway), and is approximately the same distance from Ontario International Airport, the second busiest airport in Southern California. Interstate 15 is a few miles to the east. Chaffey College, a community college serving southwestern San Bernardino County, occupies an attractive hillside campus in the District.

POPULATION AND HOUSING

The San Bernardino County Planning Department compiles population and housing data for Planning District 6, which embraces Alta Loma, Etiwanda, and a small portion of Cucamonga. In 1970, this area had a population of 10,552 and 3,008 dwelling units, as determined by the Federal Census. In April 1975 the County Planning Department conducted a special county-wide census and reported 16,696 residents for Planning District 6, a gain of 58 percent over 1970. The number of dwelling units increased 70 percent during this period.

Population data utilizing master plans of elementary school districts serving the Alta Loma-Cucamonga-Etiwanda area, plus other sources, disclose the following population estimates and projections for the three contiguous communities and the new City of Rancho Cucamonga. The San Bernardino County Planning Department estimates Rancho Cucamonga's April 1978 population at 46,817.

POPULATION DATA AND PROJECTIONS

| | Alta Loma | Cucamonga | Etiwanda | City of Rancho Cucamonga (1) |
|-------------|-----------|-----------|-----------|---------------------------------|
| 1975 Census | 10,300 | 13,900 | 1,400 (2) | 25,600 |
| 1980 | 28,100 | 24,800 | 2,500 | 55,400 |
| 1985 | 40,000 | 43,000 | 8,000 | 91,000 |

(1) Pro forma estimates. At the November 8, 1977 election, the current population of the proposed city was listed at an estimated 42,000 persons.

(2) Not Census data.

Source: Municipal Advisory Council.

Records of the Alta Loma School District indicate that there are 5,448 occupied houses and 162 occupied apartments in the District (November 1978). Local real estate sources state that home ownership is very high, based on sales transaction records. New homes are generally priced in the \$60-100,000 range.

Average home prices in Alta Loma are higher than those in Cucamonga or Etiwanda, according to Rancho Cucamonga's Proposed General Plan (DEIR). Families in the District generally enjoy above-average incomes and live in attractive homes. Several new residential developments are located in an equestrian environment, with lots covering one-half acre or larger.

EMPLOYMENT

Employment opportunities within the District are largely in education, trade, personal services, and manufacturing. Largest District employers are Chaffey College (over 700 full-time and part-time employees), the Alta Loma School District, the American Can Company, which employs 90 at a local plant producing plastic bottles, and Bennett Industries, a fabricator of steel shipping containers with a payroll of 80. Four shopping centers employ an undetermined number of people in trade and personal services.

The largest industrial employers in the District and nearby communities are shown on page 22. Residents of the District are within convenient commuting distance of major employment centers in Los Angeles County and the San Bernardino-Riverside-Ontario Metropolitan area. Employment opportunities in the latter area are discussed in the section entitled "San Bernardino Valley."

INDUSTRY

Economic studies prepared for the San Bernardino County General Plan by Wilsey & Ham indicate that the West Valley area of San Bernardino County, of which the District is a part, can become the third most important area of industrial concentration in Southern California, ranking behind only Vernon-Los Angeles-Commerce and the Wilmington-San Pedro areas.

Several factors combine to make the general area attractive for industrial development, including: pressures of urban development from the Los Angeles Basin and the area's proximity to the market; the presence of Kaiser Steel, the only fully integrated steel plant on the Pacific Coast (located about 10 miles east of the District); outstanding rail, highway, and air transportation facilities nearby; major utility installations such as a 36-inch interstate gas transmission main, a 1,000,000 kw generating plant near the District, two major transmission lines of the Metropolitan Water District, and two interconnected industrial waste outfall lines; the availability of a ready labor supply; and, the availability of large tracts of flat, readily developable land at comparatively low costs. According to Rancho Cucamonga's Proposed General Plan, future industrial development is earmarked for areas south of the District.

COMMERCIAL

Commercial activity in the District is concentrated at four neighborhood shopping centers, with several others planned or in the early stages of construction. Along Base Line Road, southern boundary of the District, are two established shopping centers with a variety of

LARGEST INDUSTRIAL EMPLOYERS IN THE DISTRICT AND VICINITY

| Company | Product/Service | No. of Employees |
|---|--|------------------|
| <u>ALTA LOMA</u> | | |
| American Can Company | Plastic bottles | 90 |
| Steel-Web Corp. | Fabricated metal products | 50-100 |
| Bennett Industries, Inc. | Metal shipping containers | 50-100 |
| <u>CUCAMONGA</u> | | |
| Columbian Ribbon & Carbon Manufacturing Co., Inc. | Carbon paper & business machine ribbons | 100-250 |
| Data-Design Laboratories | Electronics, technical training & educational materials | 100-250 |
| Fasson Products (Avery Corp.) | Adhesive coated paper, films & foil | 100-250 |
| Frito-Lay, Inc. | Snack foods | 100-250 |
| General Knit of California, Inc. | Knitted textiles | 250-500 |
| Metropolitan Wire Goods Corp. | Fabricated wire products | 100-250 |
| Mobile Industries, Inc. | Mobile homes | 100-250 |
| Phillips Industries, Inc. | Aluminum windows & doors for recreational vehicles | 100-250 |
| Safetran Systems Corp. | Railroad electronic signaling & communications equipment | 100-250 |
| SA Enterprises | Mobile homes | 100-250 |
| Otis Elevator Co. | Elevators | 100-250 |
| Robert Manufacturing Co. | Valves | 100-250 |
| Sunshine Foods | Food products | 100-250 |
| Royal Creations Inc. | Wood furniture | 100-250 |
| <u>ETIWANDA</u> | | |
| Ameron Steel Producing Division | Steel bar, coil, wire & mesh | 250-500 |
| National Can Corporation | Lithographed metal containers | 250-500 |
| <u>UPLAND</u> | | |
| Inspiron | Disposable medical products | 250-500 |
| Neward Die & Manufacturing Company, Inc. | Custom & plastic molding | 100-250 |
| Pactra Industries, Inc. | Package lacquers & manufacture paint | 100-250 |
| Upland Lemon Growers Ass'n | Citrus harvesting | 100-250 |
| American Telecommunications Corp. | Electronic equipment | 100-250 |
| <u>FONTANA</u> | | |
| Kaiser Steel Corporation | Steel manufacture, plate & structural fabrication | Over 9,000 |
| <u>GUASTI</u> | | |
| Brookside Vineyard Co. | Wines, brandy & champagne | 100-250 |
| <u>ONTARIO</u> | | |
| Armstrong Nurseries | Nursery stock | 100-250 |
| General Electric Co. | Electric flat irons | Over 1,000 |
| Hooker Industries, Inc. | Exhaust systems | 250-500 |
| Ideal Industries | Travel trailers | 100-250 |
| Keystone Products, Inc. | Wheels, auto accessories & die casting | 100-250 |
| Lockheed Aircraft Service Company | Aircraft maintenance | 500-1,000 |
| Parco-Plastic & Rubber Products Co. | Custom molded rubber products | 250-500 |
| Progress Bulletin Publishing Co. | Newspaper publishing | 100-250 |
| Richton Sportswear | Boys' & men's sportswear | 250-500 |
| Sunkist Growers, Inc. | Orange products | 500-1,000 |
| The Woodworks | Wood furniture | 100-250 |

Source: San Bernardino County Economic Development Department.

retail, professional, and service establishments, including such outlets as Sprouse Reitz Department Store, Stater Brothers Market, Alpha Beta Markets, Bank of America, Security Pacific Bank, Pomona Federal Savings and Loan, Thrifty Discount Stores, and others.

On 19th Street, several blocks north, are two new shopping centers featuring Von's Markets, Thrifty Stores, Sierra Savings, Stater Brothers Markets, Pacific Finance, First National Bank and Trust Company, and a variety of commercial establishments.

Several other trade and service complexes are under development in the District. At 19th Street and Archibald Avenue, Vanir Development Company is constructing Vanir Plaza, with Lucky Stores as a principal tenant. One block west, the same developer plans a smaller retail and office center, adjacent to the Alta Loma Post Office. At 19th Street and Carnelian Avenue, the T & S Development Company has started grading operations for Alta Loma Plaza, a neighborhood retail center.

Taxable transactions for the City of Rancho Cucamonga are available only for the first half of 1978, as shown below.

CITY OF RANCHO CUCAMONGA
Taxable Transactions, First Half 1978

| | Number of Permits | Taxable Transactions |
|---------------|----------------------|-------------------------|
| Retail Stores | 191 | \$14,452,000 |
| Total Outlets | 682 | 31,439,000 |

Source: State Board of Equalization.

An indication of economic strength in the area can be obtained from the level of taxable transactions in the incorporated communities of Upland, Ontario and Fontana, situated on the west, south and east, respectively. Taxable sales data for these cities for the five-year period 1973-77 are presented in the following tabulation.

TAXABLE TRANSACTIONS, NEIGHBORING CITIES

| | 1973 | 1974 | 1975 | 1976 | 1977 |
|---------|---------------|---------------|---------------|---------------|---------------|
| Upland | \$ 66,890,000 | \$ 72,656,000 | \$ 80,906,000 | \$102,887,000 | \$133,329,000 |
| Ontario | 147,862,000 | 150,845,000 | 164,057,000 | 197,492,000 | 246,922,000 |
| Fontana | 57,956,000 | 62,431,000 | 67,688,000 | 77,646,000 | 92,027,000 |

Source: State Board of Equalization.

CONSTRUCTION ACTIVITY

Building permit valuations for the Alta Loma area are not segregated by San Bernardino County. However, the new residential construction in Alta Loma is reflected in data compiled by the District and by a leading title insurance company, as described below.

The District, as part of its continuing studies of student enrollment, estimates that there were 5,448 occupied houses and 162 occupied apartments in the District as of November 10, 1978. The number of occupied houses in 1978 is 23 percent greater than the equivalent 1977 figure. Under construction were 1,763 houses. Houses tentative, i.e., houses for which a tract map has been filed but on which no construction had begun, numbered 2,201. Of the latter total, 788 had received all required permits and approvals except a sewer allocation. (The new city of Rancho Cucamonga imposed a six-month moratorium on sewer allocations pending transfer of building records from the county. The moratorium expires December 31, 1978.)

According to District studies, occupied houses and houses presently under construction account for less than 48 percent of lands zoned for residential use in the District.

Developer activity is monitored quarterly throughout Southern California by First American Title Insurance Company. According to this firm's most recent bulletin, the Upland-Alta Loma area was the most active area in San Bernardino County for residential sales during the second quarter of 1978, with 1,051 new homes sold. The Ontario-Montclair area was second with 626 sales recorded.

Stone & Youngberg Municipal Financing Consultants, Inc., and the Community Development Department of the City of Rancho Cucamonga have identified residential development projects in the Alta Loma School District from the above report. On page 25 are the names of developers active as of the second quarter of 1978, the total number of units scheduled, the number of units completed during the quarter, and total units sold. Virtually all are single family homes. As noted in this summary, 40 builders had scheduled a total of 2,980 units, completed 1,328, and sold 1,204. The homes are largely in the \$60,000-\$100,000 price range. The fact that the number of units scheduled is substantially more than the number completed is an indication of Alta Loma's attraction to home builders.

UTILITIES

Utility services to the District are supplied by the following companies:

| | |
|------------------|---|
| Electric power: | Southern California Edison Co. |
| Natural gas: | Southern California Gas Co. |
| Telephone: | General Telephone Co. of California |
| Water and sewer: | Cucamonga County Water District and Chino Basin Municipal Water District |

TRANSPORTATION

The District is served by major transcontinental rail, highway, and air transportation facilities.

The Southern Pacific Railroad maintains a branch line serving industrial sections of the District. A short distance to the south are main lines of Southern Pacific, Union Pacific, and the Atchison, Topeka, and Santa Fe Railway.

Interstate 10 (San Bernardino Freeway), the major highway between Los Angeles and the San Bernardino-Riverside-Ontario Metropolitan Area, is four miles south of the District. Two miles to the east is Interstate 15 (Devore Freeway), connecting link between the San Bernardino Freeway and the Pomona Freeway. State Highway 30 traverses the District from east to west. U.S. 66, two miles south of the District, also provides east-west traffic circulation.

RESIDENTIAL DEVELOPER ACTIVITY IN ALTA LOMA SCHOOL DISTRICT
STATUS AS OF SECOND QUARTER 1978

| Developer | Total Lots Recorded | Number of Units Completed | Total Sales |
|----------------------------|------------------------|------------------------------|----------------|
| Bob Jensen Builders, Inc. | 151 | 76 | 50 |
| Crowell/Leventhal Inc. | 148 | 88 | 46 |
| Lewis Homes of California | 392 | 301 | 271 |
| Vanguard Builders, Inc. | 90 | 90 | 90 |
| Griffin Devel. | 270 | 150 | 211 |
| The Ranch, Ltd. | 60 | 0 | 51 |
| R.L. Sievers & Sons, Inc. | 61 | 0 | 0 |
| Thompson Associates | 48 | 0 | 0 |
| Thomas & Miriam Kendall | 69 | 5 | 5 |
| Arizona NH3 Service Co. | 12 | 12 | 5 |
| Prado Woods Corp. | 16 | 16 | 16 |
| Royal Oak Homes | 40 | 40 | 38 |
| Kent Land Co. | 158 | 117 | 153 |
| Cameo Land Co. | 50 | 50 | 0 |
| Coronado Land Co. | 266 | 45 | 10 |
| Kingswood, Inc. | 18 | 0 | 0 |
| Valle Verde, Ltd. | 79 | 55 | 16 |
| R & L Harris Corp. | 56 | 20 | 16 |
| Chevron Construction | 82 | 53 | 50 |
| Ico Homes | 116 | 93 | 81 |
| Greenberg, Stark & Assoc. | 18 | 18 | 0 |
| G & C Miller | 36 | 0 | 0 |
| Constructech, et al | 24 | 0 | 0 |
| Hughes Devel. | 124 | 0 | 0 |
| Michael & Helena Leon | 18 | 0 | 0 |
| Clifton S. Jones Inc. | 75 | 0 | 0 |
| Anzugta/Shanks | 20 | 1 | 20 |
| Regency Estates | 25 | 25 | 25 |
| Bridgestone Dev. Co. | 72 | 72 | 28 |
| Walton Assoc. Co. | 48 | 0 | 8 |
| LTB Construction | 17 | 1 | 4 |
| Monfred Hall Const., Inc. | 16 | 0 | 0 |
| Lesny/Fletcher Homes | 78 | 0 | 0 |
| Meeker Devel. | 30 | 0 | 0 |
| Kenneth C. Elmore | 18 | 0 | 10 |
| Rancho Ramona Est. | 34 | 0 | 0 |
| Jerrax Corp. | 26 | 0 | 0 |
| M & C Kalback | 73 | 0 | 0 |
| Bank of America | 10 | 0 | 0 |
| Borg-Warner Equities Corp. | 36 | 0 | 0 |
| Totals | 2,980 | 1,328 | 1,204 |

Source: First American Title Insurance Co.

Ontario International Airport, less than five miles south of the District, is a dominant factor in the industrial development and future potential of the area. The existence of the airport is considered a major attraction in the location of industries for whom air freight and transportation of personnel are considered of growing importance. Nine air carriers have regularly scheduled flights to and from Ontario International Airport, which is under the control of the Los Angeles Department of Airports. The Department plans to spend more than \$100 million in improvements at Ontario in accordance with its master plan by 1980. The 1,450-acre terminal, second largest in Southern California, accommodates more than 1.3 million passengers and over six million pounds of air cargo annually. Cable Airport, a few miles west of the District has facilities for servicing general and executive aircraft.

Interurban bus service is provided by Southern California Rapid Transit, Greyhound Bus lines and Continental Trailways. Local bus service in the communities of Alta Loma, Cucamonga and Montclair is scheduled by Omnitrans, which initiated service in January 1975.

Shipping facilities to intercoastal and world markets are available at Los Angeles Harbor and Port of Long Beach, located approximately fifty miles to the southwest via freeway.

CITY OF RANCHO CUCAMONGA

As already noted, the previously unincorporated communities of Cucamonga and Etiwanda border Alta Loma on the south and east, respectively. In response to local requests, the Supervisors of San Bernardino County appointed a Municipal Advisory Council in 1972 to explore the feasibility of incorporating the three communities as a single city. The Council was composed of seven members (two from each community and a representative-at-large from Southern California Edison Company, whose properties represent a large portion of assessed valuation).

At the November 8, 1977 general election, electors of the three communities voted in favor of incorporation by more than 59 percent of the total vote cast. The City of Rancho Cucamonga was incorporated November 22, 1977 as a general law city. It covers approximately 32 square miles and has a present estimated population of nearly 50,000. The city is divided into wards, and is governed by a city council of five members elected at large. Mr. Lauren Wasserman was appointed City Manager on March 27, 1978.

Rancho Cucamonga city offices are located at 9340 Base Line Road in Alta Loma, within the boundaries of Alta Loma School District.

EDUCATION

The District is part of the Chaffey Union High School District, operating six high schools in the area, and the Chaffey Community College District, which administers Chaffey College in Alta Loma. Chaffey College was founded in 1883 as a preparatory school, organized as a junior college in 1916, and reorganized as a junior college in 1922. The campus was relocated to its present site in 1960. In the fall of 1977 Chaffey College had a total enrollment of 17,977 and a full-time enrollment of 3,943. The College offers two-year programs leading to a Certificate in various academic or vocational fields, or for transfer to a four-year degree institution. Among courses offered are electronics, lithography, aeronautics, fire science, welding technology, life sciences, nursing, dental assisting, and business education. On the main campus in Alta Loma are a planetarium and a children's center.

Chaffey College operates several off-campus facilities including a Skill Center at Ontario International Airport and the Ontario-Montclair Center in Ontario. Vocational courses at these locations are offered to more than 1,000 adult education participants.

Within a 30-mile radius of Alta Loma are the Riverside campus of the University of California, San Bernardino State College, California State Polytechnic University at Pomona, University of Redlands, Loma Linda University, the Claremont Colleges (Scripps, Pomona, Claremont, Harvey Mudd, Pitzer), and the Claremont Graduate School.

COMMUNITY FACILITIES AND RECREATION

San Antonio Community Hospital in Upland (309 beds) and two general hospitals in Ontario with a combined capacity of 332 beds provide medical care for District residents. There are convalescent hospitals at Alta Loma and Upland having a total of more than 300 beds.

The Rancho Cucamonga Branch Library, operated by San Bernardino County, is located adjacent to the southern boundary of the District.

The Rancho Cucamonga Times provides local news coverage. The Los Angeles Times maintains local offices. Radio stations K93.5-FM and KiNSE-AM broadcast from Rancho Cucamonga.

Both the Bank of America NT & SA and the First National Bank and Trust Company maintain branch offices in Alta Loma and Cucamonga. Pomona First Federal Savings and Loan Association has an office in Alta Loma. Wilmington Savings and Loan Association operates a branch in Cucamonga. Security Pacific National Bank and Sierra Savings have recently opened local offices in Alta Loma.

The Foothill Fire Protection District has fire stations in Alta Loma and Etiwanda, and maintains a Fire Prevention Bureau at Cucamonga. The San Bernardino County Sheriff's Department provides police protection services throughout the District, including the City of Rancho Cucamonga.

Golf courses in the vicinity of the District include the La Mancha Golf Course and Red Hill Country Club, both in Cucamonga. The latter is a private course.

The City of Rancho Cucamonga maintains the following parks: Vineyard Park (7.5 acres), Lions Park (2.5 acres), Alta Loma Park (10 acres), and the recently acquired Heritage Park (40 acres). Cucamonga-Guasti County Regional Park, located a few miles south of the District, has a one-half acre lagoon for swimming and two lakes, one for fishing and boating and the other reserved for fishing only. The park was opened in 1974.

The northern portion of the District extends into the San Bernardino National Forest, affording many opportunities for outdoor activities such as hiking, camping, skiing, fishing, and boating. Bordering this area to the west is the Angeles National Forest. Both national forests have wilderness areas for public recreation.

The 697-acre, \$25.5 million Ontario Motor Speedway is located between the District and the San Bernardino Freeway. The speedway includes a 2.5 mile oval track for cars of the Indianapolis caliber, a 3.5 mile road race circuit, and a quarter-mile drag strip. Permanent grandstand seats accommodate 85,000; portable stands and infield spectators extend the audience capacity to over 200,000. Parking is available for 51,000 vehicles.

THE SAN BERNARDINO VALLEY

The District lies within the San Bernardino-Riverside-Ontario Metropolitan Area, fifth largest in California, composed of San Bernardino and Riverside Counties. At January 1, 1978, this area had an estimated population of 1,347,000 (State Department of Finance), 18 percent greater than the 1970 U.S. Census count. During the same period the state's population increased less than 11 percent.

The two-county area has a wide variety of basic industries such as steel, agriculture, electronics, tourism, military installations, government facilities, and minerals. The only integrated steel mill on the Pacific Coast is located at Fontana, eight miles east of the District. The area accounts for 70 percent of the raw steel output in California.

The growing sophistication of the area as a manufacturing center is illustrated by the expanding aerospace-electronics industry, once closely tied to defense markets, but now increasingly committed to commercial production. Centers of industrial employment in the Valley are San Bernardino, Fontana, Ontario, Redlands, and Riverside.

EMPLOYMENT

Employment patterns in the San Bernardino-Riverside-Ontario Labor Market Area are reported periodically by the State Department of Employment Development. In August 1978 this labor market supported 493,200 civilian employees and provided jobs for 380,500 nonagricultural wage and salary workers and 19,100 agricultural workers. Of the nonagricultural workers, 24 percent are on government payrolls, largely at the state and local government level. Trade, services, and manufacturing are the other leading sources of jobs, in that order. Of more than 61,800 workers in manufacturing, about 73 percent are engaged in durable goods production. Transportation equipment and primary metals are the leading industries in this group. A summary of employment by industry throughout the metropolitan area appears below, and a list of large employers appears on page 29 .

SAN BERNARDINO-RIVERSIDE-ONTARIO LABOR MARKET

Wage & Salary Employment by Industry

| Industry | August 1978 | August 1977 |
|---|----------------|----------------|
| Manufacturing | 61,800 | 57,500 |
| Mineral extraction | 2,300 | 2,400 |
| Construction | 20,700 | 18,300 |
| Transportation, communications, utilities | 21,300 | 20,300 |
| Trade | 93,000 | 87,900 |
| Finance, insurance, real estate | 15,300 | 14,600 |
| Services | 76,500 | 73,800 |
| Government | 89,600 | 88,400 |
| Total Nonagricultural | 380,500 | 363,200 |
| Agriculture | 19,100 | 17,600 |

Source: California Department of Employment Development.

SAN BERNARDINO-RIVERSIDE-ONTARIO LABOR MARKET
Selected Major Employers

| Employer | Product/Service | No. of Employees |
|---|-----------------------------------|------------------|
| <u>Manufacturing Employment:</u> | | |
| Amax Aluminum Mill Products, Inc., Riverside | Aluminum sheet, tubing | 1,100 |
| Bourns, Inc., Riverside | Electronic components | 1,600 |
| Deutsch Co., Banning | Electronic components | 900 |
| E. L. Yeager Constr.Co., Rubidoux | Heavy construction, concrete | 850 |
| Fleetwood Enterprises, Riverside | Mobile homes, recreation vehicles | 1,450 |
| Freightliner Corp., Chino | Trucks | 501-1,000 |
| General Electric Co., Ontario | Appliances, aviation services | Over 1,000 |
| Johns-Manville Fiber Glass Div., Corona | Fiberglass insulation | 400 |
| Kaiser Steel Co., Fontana | Iron, steel, structural shapes | 9,000 |
| Kerr-McGee Chem. Corp., Trona | Potash, borax | 501-1,000 |
| Lockheed Aircraft Service Co., Ontario | Aircraft maintenance | Over 1,000 |
| Owens-Illinois, Lily Tulip Div., Riverside | Containers | 430 |
| Press-Enterprise Co., Riverside | Printing, publishing | 585 |
| Riverside Cement Co., Riverside | Cement | 600 |
| Sunkist Growers, Ontario | Orange products | 501-1,000 |
| Sunkist Growers, Corona | Lemon products | 450 |
| Rohr Industries, Riverside | Aircraft components | 1,040 |
| Toro Co., Riverside | Irrigation systems | 350 |
| <u>Non-Manufacturing Employment:</u> | | |
| Central City Mall, San Bernardino | Regional shopping center | 3,000 |
| General Telephone Company | Communications | 400 |
| Inland Center Mall, San Bernardino | Regional shopping center | 2,500 |
| Kasler Corp. | Highway construction | 250-500 |
| Loma Linda University & Hospital | University and hospital | 5,200 |
| March Air Force Base, Riverside | Defense (civilians only) | 1,300 |
| Norton Air Force Base, San Bernardino | Defense | 11,000 |
| Pacific Telephone Co. | Utility | 800 |
| Riverside County | County government | 4,000 |
| San Bernardino County | County | 7,000 |
| San Bernardino School System | Unified school system | 3,000 |
| San Bernardino State College | State college | 525 |
| San Bernardino Valley College | Community college | 700 |
| Santa Fe Railroad | Transportation | 3,000 |
| Southern Pacific Railroad | Transportation | 1,300 |
| Southern California Edison | Electrical-utility | 600 |
| Southern California Gas Co. | Gas-utility | 350 |
| TRW Systems Group | Research/program management | 750 |
| University of California, Riverside | Education | 3,600 |

Sources: San Bernardino Economic Development Department and Riverside County
Department of Development.

At August 1978 the unemployment rate was 8.5 percent of the labor force compared with 8.8 percent the previous August. Seasonally adjusted unemployment rates are not available for this labor market.

The area's metal industry is dominated by Kaiser Steel Corporation at Fontana, site of the largest integrated steel mill west of the Mississippi, with a rated capacity in excess of 3,400,000 tons. Four Kaiser fabricating plants and the steel mill employ over 9,000 people. There are 139 metal fabricating plants in the metropolitan area.

Transportation equipment is the next largest industry and includes manufacturers of mobile homes and trailers, fiberglass parts, truck trailers and automobile parts, and aircraft maintenance. Producers of stone, clay, and glass products account for a substantial share of industrial employment and payrolls. Leaders in this category are cement and its numerous end products.

Another major industry is food processing, particularly citrus fruits in canned, frozen, and concentrated form. The largest firm in this sector is the Orange Products Division of Sunkist Growers, Inc. Located in Ontario, the firm employs over 700 people. The Lemon Products Division at Corona, Riverside County, employs 400. Other industries contributing to increasing industrial employment in the metropolitan area are machinery, electrical equipment, printing and publishing, furniture and fixtures, instruments, and chemicals.

FINANCIAL

In the first half of 1977, bank debits in the San Bernardino-Riverside-Ontario Metropolitan Area amounted to more than \$22.9 billion, as reported by the Federal Reserve Bank of San Francisco. This was an increase of 15.1 percent over the same period of 1976. Bank deposits at June 30, 1977 were \$1,023 million, 23.2 percent greater than total deposits at June 30, 1976. The Federal Reserve Bank no longer compiles this type of information.

PER CAPITA INCOME

The U.S. Department of Commerce estimates that per capita money income in San Bernardino County was \$5,349 in 1975, compared with \$3,524 in 1970. The 51.8 percent increase during this period exceeded the statewide increase of 46.5 percent.

TAXABLE SALES

Taxable sales in San Bernardino County were nearly \$2.9 billion in 1977, an increase of \$550 million over total taxable transactions the previous year. The following tabulation presents taxable transactions for retail outlets and all outlets by individual years since 1973.

SAN BERNARDINO COUNTY

Taxable Transactions

(Thousands of Dollars)

| | Retail Outlets | | All Outlets | |
|------|----------------|--------------|-------------|--------------|
| | Permits | Transactions | Permits | Transactions |
| 1973 | 6,089 | \$1,279,608 | 15,670 | \$1,686,423 |
| 1974 | 6,091 | 1,354,669 | 16,072 | 1,823,841 |
| 1975 | 6,182 | 1,471,122 | 16,862 | 1,977,173 |
| 1977 | 6,406 | 2,101,148 | 18,392 | 2,894,297 |

Source: State Board of Equalization.

CONSTRUCTION ACTIVITY

After a low point in 1974, building permit valuations in San Bernardino County increased by over 57 percent the following year. In 1976, the annual gain exceeded 65 percent. Total valuation in 1977 established a record \$877 million, as reflected in the tabulation below. Single-family residential valuation accounted for the bulk of building permit valuation in 1976, with permits for over 10,000 new homes. This trend continued in 1977 with permits for single-family homes exceeding 15,000. Also 1977 reflects increased activity in multi-family construction, a development which carried over into 1978.

SAN BERNARDINO COUNTY

Building Permit Valuation (\$000 omitted)

| Year: | 1974 | 1975 | 1976 | 1977 | 1978 (1) |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| Residential: | | | | | |
| New Single-Family | \$ 91,903 | \$185,659 | \$382,444 | \$658,939 | \$444,350 |
| New Multi-Family | 10,009 | 8,207 | 7,888 | 36,977 | 66,220 |
| Additions, Alterations | 17,537 | 23,201 | 28,511 | 40,555 | 33,227 |
| Non-Residential: | | | | | |
| New Commercial | 27,449 | 17,669 | 39,681 | 49,808 | 55,702 |
| New Industrial | 10,394 | 38,472 | 14,655 | 26,547 | 30,128 |
| Alterations, Additions | 6,881 | 7,031 | 9,244 | 10,511 | 8,611 |
| Other | 33,295 | 30,833 | 33,129 | 53,882 | 64,421 |
| Total Valuation | \$197,468 | \$311,072 | \$515,552 | \$877,219 | \$702,659 |
| No. of New Dwelling Units: | | | | | |
| Single-Family | 3,473 | 5,192 | 10,008 | 15,746 | 10,090 |
| Multi-Family | 634 | 494 | 472 | 2,243 | 3,034 |
| Total Units | 4,107 | 5,686 | 10,480 | 17,989 | 13,124 |

(1) January-August.

Source: "California Construction Trends", Security Pacific Bank.

AGRICULTURE

The fertile San Bernardino Valley is a major agricultural area, extending 40-50 miles in an east-west direction. It forms a part of the citrus belt of Southern California, and is a leading dairy producing area in the nation. Gross value of farm products in San Bernardino County exceeded \$354 million in 1977, highest value on record for the county. There were 17 commodities with a valuation in excess of one million dollars. Milk and eggs are the principal farm products, accounting for 75 percent of total output in 1977.

The following tabulation presents county agricultural production values by individual years since 1974. A list of the million-dollar crops in 1977, reported by the County Agricultural Commissioner, accompanies the tabulation.

SAN BERNARDINO COUNTY Gross Value of Farm Production

| | 1974 | 1975 | 1976 | 1977 |
|----------------------------|---------------|---------------|---------------|---------------|
| Fruit and nuts | \$ 20,596,500 | \$ 16,690,800 | \$ 18,539,900 | \$ 20,636,800 |
| Vegetables | 3,454,500 | 3,693,600 | 4,189,900 | 3,872,700 |
| Field crops | 12,065,100 | 13,823,000 | 15,075,200 | 13,203,100 |
| Seed crops | 96,900 | 92,100 | 301,000 | 142,500 |
| Nursery prod., cut flowers | 4,462,700 | 4,751,800 | 5,681,100 | 8,117,100 |
| Apiary products | 1,174,000 | 924,200 | 536,500 | 702,700 |
| Livestock and poultry | 37,832,400 | 41,958,000 | 40,533,600 | 40,283,800 |
| Animal products | 211,757,500 | 226,014,500 | 256,301,600 | 265,172,300 |
| Aquaculture, worms | -- | -- | 1,107,000 | 1,508,800 |
| Total Value | \$291,439,600 | \$307,948,000 | \$343,265,800 | \$353,639,800 |

SAN BERNARDINO COUNTY Million Dollar Crops 1977

| | | | |
|----------------------|---------------|-----------------------|-------------|
| 1. Milk | \$203,223,000 | 10. Pullets | \$3,776,000 |
| 2. Eggs | 61,838,000 | 11. Lemons | 3,229,000 |
| 3. Cattle and Calves | 17,688,000 | 12. Grapes | 2,596,000 |
| 4. Nursery Products | 8,514,300 | 13. Grapefruit | 2,085,000 |
| 5. Turkeys | 8,421,000 | 14. Sheep and Lambs | 1,296,000 |
| 6. Alfalfa Hay | 8,003,000 | 15. Pasture-Permanent | 1,275,000 |
| 7. Navel Oranges | 6,941,000 | 16. Grain Hay | 1,104,000 |
| 8. Chicken Fryers | 6,164,000 | 17. Strawberries | 1,080,000 |
| 9. Valencia Oranges | 4,567,000 | | |

Source: County Department of Agriculture.

EDUCATION

Public education in San Bernardino County is administered by 19 elementary school districts, two high school districts, 14 unified (K-12) school districts, and four community college districts. Enrollment in the elementary grades has turned up slightly in the past two years, reversing an earlier trend. Enrollment in the secondary and community college grades has stabilized. A five-year enrollment history of public schools in the county is shown below.

SAN BERNARDINO COUNTY

Total Enrollment in Public Schools ⁽¹⁾

| Grades K-14 | 1973 | 1974 | 1975 | 1976 | 1977 |
|-------------------|---------------|---------------|---------------|---------------|---------------|
| Elementary (K-8) | 113,616 | 111,339 | 111,146 | 111,599 | 113,896 |
| Secondary | 66,444 | 69,296 | 71,466 | 72,443 | 72,159 |
| Community College | <u>28,697</u> | <u>32,818</u> | <u>41,835</u> | <u>36,271</u> | <u>35,024</u> |
| Total | 208,757 | 213,453 | 224,447 | 220,313 | 221,079 |

(1) Fall enrollment.

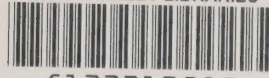
Source: County Superintendent of Schools.

Within San Bernardino County are eight universities and colleges. In addition, there are five two-year community colleges. Loma Linda University is a coeducational complex of schools offering undergraduate and graduate degrees including doctoral programs in varied academic and professional fields. The University of Redlands, a private liberal arts college granting baccalaureate and master's degrees, is known for its outstanding programs in the fields of business administration, education, music, chemistry, engineering, mathematics and physics. California State College, San Bernardino, three miles east of San Bernardino, offers the Bachelor's degree in 28 majors, and the Master's degree in various education fields. About ten miles south of the City of San Bernardino is the Riverside campus of the University of California. This is one of nine general campuses of the University of California system.

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